

HOUSING FUND DESCRIPTIONS

1. Belmont Ridge Affordable Housing Trust (\$650,793)

This fund was established in October 1992 as a 30 year trust that will expire in 2022. The fund is to be used “to provide eligible buyers with money for a second mortgage for any unit in Belmont Ridge, whether it was originally sold as an affordable unit or not.” The use of this fund is restricted to the Belmont Ridge development and is virtually unusable given the increase in property values in that neighborhood. The Trust Agreement does not provide for amendments. In order to use the funds before the Trust’s expiration, the County could initiate a reformation of the Trust Agreement through a legal process to release the funds for general affordable housing purposes.

2. County of Loudoun Housing Trust (\$3,762,791)

This fund was established in August 1997. The significant current balance is by and large the result of the March, 2005 Board of Supervisors’ approval of the conversion of ADU rental apartments to ADU for-sale condominiums at the Summerfield at Brambleton development. Fifty-six (56) condominiums were sold at market price and, since October 2005, this fund has steadily received money to total \$3,465,492 from the proceeds of the condominium sales. The Board of Supervisors recently committed \$250,000 of this Trust to the Habitat for Humanity St. Louis project on the recommendation of the ADUAB. This fund was established “to further the provisions of affordable dwelling units in Loudoun County. . . To spend the monies in the Trust in the manner in which the Trustee [Board of Supervisors] deems most appropriate in order to further the provision of affordable dwelling units to the Beneficiaries.” Beneficiaries are defined as persons who qualify for the ADU program with incomes between 30% to 70% of the Washington Metropolitan Statistical Area Median Income (AMI). (As of March, 2006, AMI is \$90,300). This Trust was set up to be funded by the cash proceeds of the sale of ADUs at market price, the “cash in lieu” provisions of the ADU Ordinance, and as a repository for affordable housing proffers. The Trust Agreement currently limits expenditures to the benefit of persons with incomes from 30% to 70% AMI and allows for modification. It could be modified to broaden the income ranges that benefit from it.

3. Housing Fund (\$402,218)

In July 2004, the Board of Supervisors established a Housing Fund and allocated one million dollars to this fund to be used for workforce housing initiatives. The Board appropriated \$280,000 of this fund to be used for revitalization of owner-occupied homes in eastern Loudoun neighborhoods. The HAB expended \$29,839 for the AECOM Consult study to determine the workforces’ housing needs. The Board of Supervisors allocated \$81,000 for Birmingham Green and, based on a HAB recommendation, the Board committed \$250,000 to be used for the plumbing improvements necessary for residents of Willisville to connect to the wastewater treatment system that is being constructed. The fund has not been codified in a Trust Agreement.

4. Affordable Housing Proffers (\$2,602,392) (This balance includes cash contributions committed or paid plus escalators and interest and does not include disbursed proffers to programs)
Historically, funds were proffered for affordable housing before the adoption of the ADU

Ordinance. These proffered funds, not included in the list below, were used by the Board of Supervisors to establish the County's Down Payment and Closing Cost Assistance (DPCC) Program (described, in #5, below). Generally, the most recent proffer accumulation is the result of providing cash in lieu of ADUs as an approved modification to the ADU Ordinance by the Board. A few recent proffers are from developments not regulated by the Ordinance. Not all of the proffers listed below have been received as of yet given the terms of the proffer agreement. Most proffers that include cash commitments also include an escalator, so that their value increases until paid. All proffer accounts collect interest. Proffers for affordable housing that have been identified to date that have either not been fully received or have not been disbursed for use include:

ZMAP 1999-0011, Leisure World of Virginia	\$34,750*
ZMAP 1996-0003, Belmont (Revised)	\$899,147*
ZMAP 1999-0023, Bles/Weller	\$279,877
ZMAP 2000-0007, Red Cedar	\$158,500*
ZMAP 2000-0012, Blue Springs View	\$286,830
ZMAP 2001-0001, Brooks Property	\$15,675*
ZMAP 2002-0012, Corro Property	\$182,706
ZMAP 2004-0006, Belmont Glen/Rouse	\$449,757*
ZCPA 1990-0005, Broad Run Meadows	\$35,016
ZCPA 1994-0005, Broadlands/Broadlands South	\$260,134*

*not fully contributed given proffer agreement

Proffered funds generally accumulate slowly as they are usually tied to building permits. Consequently, these proffered funds have been steadily provided over the past couple of years. Not all of the proffered funds have been paid since some of the developments are still under construction. These funds are restricted in the proffer to use for affordable housing purposes and should likely be placed in the County of Loudoun Housing Trust Fund pending proffer interpretation.

5. Autumn Hill Affordable Housing Trust (\$1.00)

This fund was established in October 1992. It was established with a one dollar deposit and the current balance remains at \$1.00. The fund is to be used "to provide eligible buyers with money for a second mortgage for any unit in Autumn Hill, whether it was originally sold as an affordable unit or not. Such second mortgage shall only be for the purpose of purchasing a unit and shall subject the purchased unit to the requirements of the Trustee's affordable housing programs." The rezoned Autumn Hill tract is currently undeveloped and is located north of Purcellville.

6. Down Payment and Closing Cost Assistance Program. (\$965,917)

This fund was established in 1995 at the urging of the ADUAB to provide gap financing for qualified first time homebuyers purchasing an ADU or for an existing home located in Loudoun County. The program has been funded by monies proffered for affordable housing associated with rezoning applications. It has been a successful program, assisting approximately 200 homebuyers in the purchase of their first homes. However, with the change in lending products since 1998, it has become less useful to homebuyers as currently structured. It is used to fund 4 to 5 ADU home purchases a year and has not been used for a re-sale home in the past 6 years. This program is currently under review by the Joint Trust Fund Committee, which is considering recommending its modification to be a more responsive loan program given current market trends and to provide specialized products to the workforce.